

Billing Code 4210-67 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5846-N-02]

Waivers and Alternative Requirements for the Jobs Plus Initiative Program

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice.

SUMMARY: Since Fiscal Year 2014, Jobs Plus has provided competitive grants to partnerships between public housing authorities (PHAs), local workforce investment boards established under section 117 of the Workforce Investment Act of 1998, and other agencies and organizations that provide support to help public housing residents obtain employment and increase earnings. On March 13, 2015, HUD published a Federal Register notice announcing waivers and alternative requirements for Jobs Plus. This notice clarifies that those waivers and alternative requirements continue to apply until HUD publishes a Federal Register notice announcing a change in Federal law that requires HUD to alter or amend this Notice on terms and conditions as to how Jobs Plus funds may be used.

DATES: Applicability Date: [Insert date of publication in the FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: To assure a timely response, please electronically direct requests for further information to this email address: JobsPlus@hud.gov. Written requests may also be directed to the following address: Office of Public and Indian Housing—Jayme A. Brown, U.S. Department of Housing and Urban Development, 451 7th Street, SW, Room 4120, Washington, DC 20410.

SUPPLEMENTARY INFORMATION:

I. Background

Jobs Plus promotes economic empowerment in low-income areas by providing funding to PHAs that develop locally-based, job-driven approaches to increase earnings and advance employment outcomes through work readiness, employer linkages, job placement, educational advancement, technology skills, and financial literacy for residents of public housing. Congress first appropriated funds for the program in the Consolidated Appropriations Act, 2014, (Public Law 113-76, approved January 17, 2014) (2014 Appropriations Act), and continued to appropriate funds for the program in the Consolidated and Further Continuing Appropriations Act, 2015, (Public Law 113-235, approved December 16, 2014) (2015 Appropriation Act), the Consolidated Appropriations Act, 2016, (Public Law 114-113, approved December 18, 2015), and the Consolidated Appropriations Act, 2017 (Public Law 115-31, approved May 5, 2017). Each year, the provisions pertaining to Jobs Plus have remained substantially the same.

On March 13, 2015, HUD published a Federal Register notice at 80 FR 13415 titled "Jobs-Plus Pilot Initiative," which announced waivers and alternative requirements for Jobs Plus. This notice clarifies that those waivers and alternative requirements continue to apply as long as Congress continues to appropriate funds for Jobs Plus, and the provisions governing the use of those funds remain substantially the same. HUD will announce any revisions to the waivers and alternative requirements for Jobs Plus in future Federal Register notices. The list of waivers and alternative requirements that were in the March 13, 2015, notice is published in the appendix of this notice. HUD has made minor revisions to the language in the appendix from what was published in 2015 for clarity, but the waivers and alternative requirements remain substantively the same. The revised language clarifies that individuals, and not families, must enroll in Jobs

3

Plus in order to obtain the benefit of a Jobs Plus earned income disregard; that PHAs may

disallow all incremental increases in earned income from rent determinations for individuals in

Jobs Plus public housing projects; and that the period of this disallowance is up to 48 months,

beginning on the date on which a public housing resident enrolls in the Jobs Plus program and

ending at the end of the grant period. The language in the appendix also reflects that HUD

revised its regulations since the 2015 notice was published so that there is a standard lifetime

maximum two-year earned-income disallowance period.

II. Environmental Review

This Notice involves administrative and fiscal requirements related to income limits and

exclusions with regard to calculation of rental assistance which do not constitute a development

decision affecting the physical condition of specific project areas or building sites. Accordingly,

under 24 CFR 50.19(c)(6), this Notice is categorically excluded from environmental review

under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Dated: March 20, 2018

Dominique Blom

General Deputy Assistant Secretary for Public and Indian Housing

[FR-5846-N-02]

APPENDIX – JOBS PLUS INITIATIVE AND ALTERNATIVE REQUIREMENTS

The statutes that have appropriated funds for the Jobs Plus program (the Consolidated Appropriations Act, 2014, Public Law 113-76; the Consolidated and Further Continuing Appropriations Act, 2015, Public Law 113-235; the Consolidated Appropriations Act, 2016, Public Law 114-113; and the Consolidated Appropriations Act, 2017, Public Law 115-31) provide that HUD is authorized to waive or alter the rent and income limitation requirements under sections 3 and 6 of the United States Housing Act of 1937 as necessary to implement Jobs Plus. The list of waivers and alternative requirements, as described above, follows:

I. Public Housing Rent Calculation

Permissive exclusions for public housing. *Provisions affected:* Section 6(c) of the United States Housing Act of 1937 (42 USC 1437d), 3(b)(5)(B) of the United States Housing Act of 1937 (42 USC 1437a), and 24 CFR §5.609(c). *Alternative requirements:* The PHA shall calculate the annual earned income for Jobs Plus participants receiving the Jobs Plus earned income disregard separately from other income disregards for the purposes of determining the amount of annual income excluded under Jobs Plus. The records associated with the calculated disregarded amounts shall be provided to HUD for review; additional instructions for the submission of records will be provided at a later date. The PHA may use Jobs Plus grant funds to cover the decrease in funding associated with the increased tenant income.

II. Public Housing Income Limitation Requirements

<u>Disallowance of earned income from rent determination.</u> *Provisions affected:* HUD is waiving section 3(d)(1) and (2), of the United States Housing Act of 1937 (42 USC 1437a) and 24 CFR § 960.255(b)(1), (b)(2), (b)(3) & (d). *Alternative requirements:* A PHA may disallow all incremental increases in earned income due to employment from rent determinations for

individuals in Jobs Plus public housing projects for a period of up to 48 months, beginning on the date on which a public housing resident enrolls in the Jobs Plus program, and ending at the end of the grant period. A PHA must require individual members of a family in a Jobs Plus public housing project to enroll in Jobs Plus in order for each individual to be eligible for the benefit of the Jobs Plus earned income disregard. The PHA shall not setup Individual Savings Accounts in lieu of providing the Jobs Plus earned income exclusion. Any compensation to the PHA for lost rent revenues, such as by the standard earned income disregard calculation in the Operating Fund, will be manually adjusted by HUD to prevent overpayment of Public Housing Operating funds to grant recipients. Instead, PHAs shall use funds received through their Jobs Plus award to account for lost rental revenue due to the application of the Jobs Plus rent incentive.

There shall be no phase-in period for families participating in Jobs Plus. Upon completion of the earned income exclusion period, the tenant's rent will be calculated based on the tenant's income, including all earned income in accordance with 24 CFR part 5, subpart F.

The standard lifetime maximum two-year disallowance period prescribed in 24 CFR 960.255(b)(3) shall not apply to individuals participating in Jobs Plus. Individuals may benefit from the Jobs Plus earned income disregard even if they have previously benefited from the standard public housing earned income disregard. If individuals at Jobs Plus targeted developments receive the standard earned income disregard, they may continue to do so until they enroll in the Jobs Plus earned income disregard or until the time of their next rent-recertification, whichever is earlier.